

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W. R. GRACE & CO., et al.¹

Debtors.

) Chapter 11

)

) Case No. 01-01139 (JKF)

) (Jointly Administered)

)

Objection Deadline: March 3, 2003 at 4:00 p.m.

Hearing Date: June 17, 2003 at 12:00 p.m.

**NOTICE OF FILING OF SEVENTH INTERIM
QUARTERLY APPLICATION OF REED SMITH LLP**

To: (1) Office of the United States Trustee; (2) Debtors; (3) Counsel to the Debtors;
(4) Counsel to the Official Committee of Unsecured Creditors; (5) Counsel to the Official
Committee of Personal Injury Claimants; (6) Counsel to the Official Committee of Asbestos
Property Damage Claimants; (7) Counsel to the Official Committee of Equity Holders; (8) Counsel

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food >N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cumming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

to the debtor-in-possession lenders (the "DIP Lenders"); (9) Fee Auditor; and (10) All Parties requesting notice pursuant to Federal Rule of Bankruptcy Procedure 2002.

Reed Smith LLP, Special Asbestos Products Liability Defense Counsel to the above-captioned debtors and debtors in possession in the above captioned chapter 11 cases, filed and served the Seventh Interim Quarterly Application of Reed Smith LLP for Compensation for Services and Reimbursement of Expenses as Special Asbestos Product Liability Defense Counsel to W.R. Grace & Co., *et. al.*, for the Interim Period from October 1, 2002 Through December 31, 2002 and the Summary in connection therewith, seeking compensation in the amount of \$325,159.25 and reimbursement for actual and necessary expenses in the amount of \$63,325.59 (the "Fee Application").

You are required to file with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, 5th Floor, Wilmington, Delaware 19801, an objection to the attached Fee Application on or before **March 3, 2003 at 4:00 p.m.**

At the same time, you must also serve a copy of the objections or responses, if any, upon the following: (i) Reed Smith, Special Asbestos Products Liability Defense Counsel for the Debtors, James J. Restivo, Jr., Esquire, Reed Smith LLP, 435 Sixth Avenue, Pittsburgh, PA 15219 (Facsimile number 412.288.3063), and Richard A. Keuler, Jr., Esquire, Reed Smith LLP, 1201 Market Street, Suite 1500, Wilmington, DE 19801 (Facsimile number 302.778.7575); (ii) co-counsel for the Debtors, James H.M. Sprayregen, Esquire, Kirkland & Ellis, 200 East Randolph Drive, Chicago, Illinois 60601 (Facsimile number 312.861.2200), and Laura Davis Jones, Esquire, Pachulski, Stang, Ziehl, Young & Jones P.C., 919 North Market Street, Suite 1600, P.O. Box 8705, Wilmington, DE 19899-8705 (Courier 19801) (Facsimile number 302.652.4400); (iii) counsel to the

Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan, 180 Maiden Lane, New York, New York 10038-4982 (Facsimile number 212.806.6006), and Michael R. Lastowski, Esquire, Duane Morris LLP, 1100 N. Market Street, Suite 1200, Wilmington, Delaware 19801-1246 (Facsimile number 302.657.4901); (iv) counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Bilzin, Sumberg, Dunn, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami Florida 33131 (Facsimile number 305.374.7593), and Michael B. Joseph, Esquire, Ferry & Joseph, P.A., 824 Market Street, Suite 904, P.O. Box 1351, Wilmington, Delaware 19899 (Facsimile number 302.575.1714); (v) counsel to the Official Committee of Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale, 399 Park Avenue, 36th Floor, New York, New York 10022 (Facsimile number 212.644.6755), and Matthew G. Zaleski, III, Esquire, Campbell & Levine, LLC, 800 King Street, Suite 300, Wilmington, Delaware 19801 (Facsimile number 302-426-9947); (vi) counsel to the DIP Lenders, J. Douglas Bacon, Esquire, Latham & Watkins, Sears Tower, Suite 5800, Chicago, Illinois 60606 (Facsimile number 312.993.9767), and Steven M. Yoder, Esquire, The Bayard Firm, 222 Delaware Avenue, Suite 900, P.O. Box 25130, Wilmington, Delaware 19899 (Facsimile number 302-658-6395); (vii) Counsel to the Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer, Levin, Naftalis & Frankel, LLP, 919 Third Avenue, New York, New York 10022 (Facsimile number 212.715.8000); (viii) the Office of the United States Trustee, Attn: Frank J. Perch, Esquire, 844 N. King Street, Wilmington, Delaware 19801 (Facsimile number 302.573.6497); and (ix) the Fee Auditor, Warren H. Smith, Warren H. Smith and Associates, 900 Jackson Street, 120 Founders Square, Dallas, TX 75202.

IF YOU FAIL TO RESPOND OR OBJECT IN ACCORDANCE WITH THIS
NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE FEE APPLICATION
WITHOUT FURTHER NOTICE OR HEARING.

Wilmington, Delaware

Dated: February 10, 2003

REED SMITH LLP

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